

FOURTEENTH CONGRESS OF THE }  
REPUBLIC OF THE PHILIPPINES }  
First Regular Session }

7 JUL -2 1996

RECEIVED BY: 

SENATE

S. B. No. 536

---

INTRODUCED BY THE HONORABLE JINGGOY EJERCITO ESTRADA

---

EXPLANATORY NOTE

The preferential use of voluntary modes of dispute settlement, particularly voluntary arbitration, has been given impetus with the passage of R.A. No. 6715 in 1989.

As a state policy the preferential use of voluntary arbitration in all labor –management disputes, other than those arising from the interpretation and implementation of collective bargaining agreements and company personnel policies, is highly encouraged. This is because lasting industrial peace can be achieved only through the sincere desire and mutual effort of labor and management to resolve their differences. Specifically, Sec. 3, Article XIII of the 1987 Constitution provides that “ The State shall promote the principle of shared responsibility between workers and employers and the preferential use of voluntary modes in settling dispute including conciliation, and shall enforce their mutual compliance therewith to foster industrial peace”.

As the program reached its 17<sup>th</sup> year of implementation under the auspices of the National Conciliation and Mediation Board, specific problems cropped up which hampered the full promotion of voluntary arbitration as the preferential mode of dispute settlement. This include the overlapping jurisdiction of Labor Arbiters and Voluntary Arbitrators over termination disputes, refusal of one party to arbitrate and delays in the disposition of cases by arbitrators. Also, the promulgation of Luzon Development Bank case and St. Martin Funeral Homes case which applies the appellate jurisdiction of the Court of Appeals to voluntary arbitration adds another layer to the review process. These developments negate promotional efforts undertaken by the NCMB to boost voluntary arbitration as an important component of the Philippine ADR. Through the proposed Bill on Voluntary Arbitration, these identified problems and issues among others, are hoped to be addressed.

While the Labor Code contains ample provisions to encourage the use of voluntary arbitration as the preferred mode of settling labor disputes, experience point to the need to further strengthen particular sections of the law. It is to this end that this measure is being introduced, seeking to amend the following provisions of the Labor Code:

**Art. 260.**

1. Grievance machinery provision should be strengthened to ensure that grievance mechanisms are in place and that parties will continuously work to enhance such mechanisms.
2. Designation of voluntary arbitrators in advance is encouraged.

3. Inclusion of a provision stating that in case the CBA does not specify the number of arbitrators, parties should submit their unresolved grievances to a single arbitrator.
4. On the refusal of one party to submit to arbitration to the prejudice of the aggrieved party, the NCMB proposed for the inclusion of the **principle of notice to arbitrate** to ensure that voluntary arbitration proceedings can proceed notwithstanding the refusal of one party. This measure was already introduced in DO 40-03; however, some parties continue to challenge this principle.

**Art. 261.**

5. The concern on the overlapping jurisdiction of Labor Arbiters and Voluntary Arbitrators is proposed to be addressed by amending ART. 261 of the Labor Code and ART. 217 in order to specify that termination cases as a result of interpretation and enforcement of company personnel policies **involving workers covered by collective bargaining agreements** should fall under the jurisdiction of voluntary arbitrators.

**Art. 262.**

6. *The concurrent jurisdiction of voluntary arbitrators is proposed to be expanded to include an option for party-complainants not covered by collective bargaining agreements to have a choice where they want to submit their dispute.*
7. The same provision also included the instances where the Secretary of Labor and Employment would have the discretion to certify a dispute not only to the National Labor Relations Commission but also to voluntary arbitration.

**Art. 262-A.**

8. Voluntary Arbitrators should also have powers to administer oaths, subpoena witnesses, require the production of documents, and cite for direct and indirect contempt and impose the appropriate penalties in accordance with law.
9. Appropriate sanction is proposed to be imposed to arbitrators who cannot render an award or decision within the period prescribed by law.
10. On the issue of appeal, the proposed Bill expressly provides that the final decision of voluntary arbitrators shall be immediately executory unless restrained by the Supreme Court which alone shall have the authority to review the decision of the arbitrator in a Petition for Certiorari under Rule 65 of the Rules of Court.
11. Include a provision creating sheriffs positions at the NCMB and requiring them to execute decisions of voluntary arbitrators. This is anchored on the fact that the sheriffs of the NLRC who execute decisions of voluntary arbitrators are not always available to provide services to parties in a voluntary arbitration case considering that they give priority to their own cases in NLRC.
12. In case the voluntary arbitrator or panel of arbitrators who issued the decision becomes incapacitated for any reason, the NCMB is proposed to be given the authority to designate another arbitrator, in consultation with the parties, to issue the writ of execution.

**Art. 263**

13. Art. 263 (g) is proposed to be amended to allow the Secretary of Labor and Employment to certify cases to voluntary arbitration in national interest cases.

**Art. 277 (f)**

14. Art. 277 (f) is proposed to be renumbered as 262-C referring to “The Special Voluntary Arbitration Fund” provision. The Article provides for the allocation of P75 Million in the NCMB’s annual general appropriations which allocated 80% of the case subsidy for the unions which do not have the capacity to pay the voluntary arbitrators’ fees. The 20% of the fund shall be allocated to operations of the Tripartite Voluntary Arbitration Advisory Council (TVAAC) and the promotion of the voluntary arbitration program including the regular training for arbitrators.
15. A new provision Article 262-D is proposed to be inserted to provide for the accreditation and de-accreditation of voluntary arbitrators. This confers expressed power to the NCMB to accredit and de-accredit voluntary arbitrators. Under the existing provision of the Labor Code, the authority of the Board to accredit is implied only from Art. 260. The same provision also requires attendance of voluntary arbitrators to continuing retooling programs in order to remain in the active list of arbitrators. The same provision also provides for the authority of the Board to de-list and remove arbitrators from the roster of active arbitrators.
16. Another new provision Article 262-E is proposed to be inserted providing the composition of the Tripartite Voluntary Arbitration Advisory Council. It proposes for the inclusion of the PAVA as members of the TVAAC to represent the voluntary arbitrators. This, however, shall be without any compensation.

In view thereof, the urgent approval of this Bill is earnestly sought.

  
JINGGOY EJERCITO ESTRADA  
Senator

7 JUL -2 P5:16

RECEIVED BY: [Signature]

1 FOURTEENTH CONGRESS OF THE }  
2 REPUBLIC OF THE PHILIPPINES }  
3 First Regular Session }

7 S E N A T E

9 S. B. No. 536

13 INTRODUCTION BY THE HONORABLE JINGGOY EJERCITO ESTRADA

18 AN ACT  
19 FURTHER STRENGTHENING VOLUNTARY ARBITRATION AS THE  
20 PREFERENTIAL MODE OF LABOR DISPUTE SETTLEMENT, AMENDING FOR  
21 THIS PURPOSE ARTICLES 217, 260, 261, 262-A, 262-B, 263(G) AND ARTICLE 277(F),  
22 AND INCORPORATING A NEW ARTICLE 262-D OF PRESIDENTIAL DECREE NO.  
23 422, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES, AS  
24 AMENDED

26 *Be it enacted by the Senate and the House of Representatives of the Philippines in Congress*  
27 *assembled:*

29 **Section 1.** Article 217 of PD 442, otherwise known as the Labor Code of the Philippines, as  
30 amended, is hereby further amended to read as:

- 31 "1. Unfair labor practice cases;
- 32 2. Termination disputes EXCEPT THOSE INVOLVING WORKERS COVERED BY
- 33 COLLECTIVE BARGAINING AGREEMENTS WHICH SHALL BE SUBJECT TO THE
- 34 GRIEVANCE MACHINERY AND VOLUNTARY ARBITRATION;
- 35 3. X X X"

38 **Section 2.** Article 260 of the same Code, otherwise known as the Labor Code of the  
39 Philippines, as amended, is hereby further amended to read as:

41 *"Article 260. Grievance Machinery and Voluntary Arbitration. - The parties to a*  
42 *Collective Bargaining Agreement, shall include therein provisions that will ensure the*  
43 *mutual observance of its terms and conditions. They shall establish a machinery for the*  
44 *adjustment and resolution of grievances 1) arising from the implementation or*  
45 *interpretation of the collective bargaining agreements and 2) those arising from the*  
46 *interpretation or enforcement of company personnel policies which remain unresolved*  
47 *after exhaustion of the grievance procedure INCLUDING ALL TERMINATION*  
48 *CASES INVOLVING WORKERS COVERED BY COLLECTIVE BARGAINING*  
49 *AGREEMENTS. FOR THIS PURPOSE, THE PARTIES AND THE BOARD SHALL*  
50 *ENSURE THAT GRIEVANCE MECHANISMS ARE IN PLACE IN ALL*  
51 *ORGANIZED ESTABLISHMENTS AND SHALL CONTINUOUSLY WORK TO*  
52 *ENHANCE AND STRENGTHEN THESE GRIEVANCE MACHINERY."*

54 "All grievances submitted to the grievance machinery which are not settled within  
55 seven (7) calendar days from the date of its submission TO THE LAST STEP PRIOR

56 TO VOLUNTARY ARBITRATION shall automatically be referred to voluntary  
57 arbitration prescribed in the Collective Bargaining Agreement.”

58  
59 “For this purpose, parties to a Collective Bargaining Agreement shall name and  
60 designate in advance a Voluntary Arbitrator or panel of Voluntary Arbitrators, [or  
61 include in the agreement a procedure for the selection of such Voluntary Arbitrator or  
62 panel of Voluntary Arbitrators,] preferably from the listing of qualified Voluntary  
63 Arbitrators duly accredited by the Board. In case the parties fail to NAME AND  
64 DESIGNATE IN ADVANCE [select] a Voluntary Arbitrator or panel of Voluntary  
65 Arbitrators, the Board shall designate the Voluntary Arbitrator or panel of Voluntary  
66 Arbitrators [, as may be necessary, pursuant to the selection procedure agreed upon in  
67 the Collective Bargaining Agreement,] which shall act with the same force and effect as  
68 if the Arbitrator or panel of Arbitrators has been SO NAMED AND DESIGNATED  
69 [selected by the parties as described above].”

70  
71 “IF THE COLLECTIVE BARGAINING AGREEMENT DOES NOT SPECIFY  
72 THE NUMBER OF ARBITRATORS, THE CASE SHALL BE SUBMITTED,  
73 HEARD AND RESOLVED BY A SOLE ARBITRATOR, UNLESS THE PARTIES  
74 AGREE OTHERWISE.”

75  
76 “IF ONE OF THE PARTIES REFUSES TO SUBMIT THE UNRESOLVED  
77 GRIEVANCES TO VOLUNTARY ARBITRATION, THE WILLING PARTY  
78 SHALL INITIATE SUBMISSION TO ARBITRATION BY SERVING A NOTICE  
79 TO ARBITRATE UPON THE OTHER PARTY TO A COLLECTIVE BARGAINING  
80 AGREEMENT. THE NOTICE SHALL STATE THE ISSUE OR ISSUES TO BE  
81 ARBITRATED, COPY THEREOF FURNISHED THE BOARD AND/OR THE  
82 VOLUNTARY ARBITRATOR OR PANEL OF ARBITRATORS DESIGNATED IN  
83 THE COLLECTIVE BARGAINING AGREEMENT.”

84  
85 “IF THE PARTY UPON WHOM THE NOTICE IS SERVED FAILS OR  
86 REFUSES TO RESPOND FAVORABLY WITHIN SEVEN (7) DAYS FROM  
87 RECEIPT THEREOF, THE VOLUNTARY ARBITRATOR OR PANEL OF  
88 VOLUNTARY ARBITRATORS DESIGNATED IN THE COLLECTIVE  
89 BARGAINING AGREEMENT SHALL COMMENCE VOLUNTARY  
90 ARBITRATION PROCEEDINGS. WHERE THE COLLECTIVE BARGAINING  
91 AGREEMENT DOES NOT SO DESIGNATE, THE BOARD SHALL CALL THE  
92 PARTIES AND APPOINT A VOLUNTARY ARBITRATOR OR PANEL OF  
93 VOLUNTARY ARBITRATORS, WHO SHALL THEREAFTER COMMENCE  
94 ARBITRATION PROCEEDINGS IN ACCORDANCE WITH THE PRECEDING  
95 PARAGRAPH.”

96  
97 “IN INSTANCES WHERE PARTIES FAIL TO SELECT A VOLUNTARY  
98 ARBITRATOR OR PANEL OF VOLUNTARY ARBITRATORS, THE REGIONAL  
99 BRANCH DIRECTOR OF THE BOARD SHALL DESIGNATE THE VOLUNTARY  
100 ARBITRATOR OR PANEL OF VOLUNTARY ARBITRATORS, AS MAY BE  
101 NECESSARY, WHICH SHALL HAVE THE SAME FORCE AND EFFECT AS IF  
102 THE PARTIES HAVE SELECTED THE ARBITRATOR.”

103  
104 **Section 3.** Article 261 of the same Code, as amended, is hereby further amended to read as:

105  
106 “Article 261. Jurisdiction of Voluntary Arbitrators or Panel of Voluntary Arbitrators. -  
107 The Voluntary Arbitrator or Panel of Voluntary Arbitrators shall have original and  
108 exclusive jurisdiction to hear and decide ALL unresolved grievances:  
109

- 110 1. Arising from the implementation or interpretation of the collective bargaining  
111 agreements; [and]  
112  
113 2. [those] Arising from the interpretation or enforcement of company personnel policies  
114 referred to in the immediately preceding article, INCLUDING CASES OF  
115 TERMINATION OF WORKERS COVERED BY COLLECTIVE BARGAINING  
116 AGREEMENTS;  
117  
118 3. RELATING TO WAGE DISTORTION ISSUES UNDER RA 6727; AND  
119  
120 4. ARISING FROM PRODUCTIVITY INCENTIVE PROGRAMS UNDER RA 6971.”  
121

122 “Accordingly, violation of a Collective Bargaining Agreement, except those which  
123 are gross in character, shall no longer be treated as unfair labor practice and shall be  
124 resolved as grievances under the Collective Bargaining Agreement. For purposes of this  
125 article, gross violation of Collective Bargaining Agreement shall mean flagrant and/or  
126 malicious refusal to comply with the economic provisions of such agreement.”  
127

128 “The Commission, its Regional Offices and the Regional Directors of the Department  
129 of Labor and Employment shall not entertain disputes, grievances or matters under the  
130 exclusive and original jurisdiction of the Voluntary Arbitrator or panel of Voluntary  
131 Arbitrators and shall immediately dispose and refer the same to the Grievance Machinery  
132 or Voluntary Arbitration provided in the Collective Bargaining Agreement.”  
133

134 **Section 4.** Article 262, of the same Code, as amended, is hereby further amended to read as:  
135

136 “Art. 262. Jurisdiction over other labor disputes - The Voluntary Arbitrator or panel of  
137 Voluntary Arbitrators [, upon agreement of the parties,] shall also hear and decide all other  
138 labor disputes [including unfair labor practices and bargaining deadlocks.] IN ANY OF THE  
139 FOLLOWING SITUATIONS:”  
140

141 A. UPON AGREEMENT OF THE PARTIES.  
142

143 B. IF THE PARTIES ARE NOT COVERED BY A COLLECTIVE BARGAINING  
144 AGREEMENT, THE PARTY-COMPLAINANT, MAY AT HIS/HER OPTION,  
145 SUBMIT THE CLAIM OR DISPUTE TO EITHER THE VOLUNTARY  
146 ARBITRATOR OR PANEL OF VOLUNTARY ARBITRATORS, OR TO THE  
147 NATIONAL LABOR RELATIONS COMMISSION AND ITS LABOR  
148 ARBITERS.  
149

150 IF THERE IS NEITHER A PROVISION NOR AGREEMENT AS TO THE  
151 VOLUNTARY ARBITRATOR TO BE APPOINTED BY THE PARTIES, THE  
152 SAME SHALL BE APPOINTED BY THE BOARD FROM THE LIST OF  
153 ACTIVE AND ACCREDITED VOLUNTARY ARBITRATORS.  
154

155 C. WHEN THE DISPUTE IS CERTIFIED BY THE SECRETARY OF LABOR  
156 AND EMPLOYMENT TO THE BOARD FOR VOLUNTARY ARBITRATION  
157 IN ACCORDANCE WITH ARTICLE 263 (G) OF THIS CODE.  
158

159 **Section 5.** Article 262-A of the same Code, as amended, is hereby further amended to read  
160 as:  
161

162 “Article 262-A. Procedures - The Voluntary Arbitrator or Panel of Voluntary Arbitrators  
163 shall have the power to ADMINISTER OATHS, hold hearings, receive evidences,  
164 SUBPOENA WITNESSES TO APPEAR IN HEARINGS AND TO PRODUCE

165 DOCUMENTS, TO CITE FOR DIRECT AND INDIRECT CONTEMPT AND IMPOSE  
166 APPROPRIATE PENALTIES THEREFOR IN ACCORDANCE WITH LAW and take  
167 whatever action and take whatever action is necessary to resolve the issue or issues  
168 subject of the dispute, including efforts to effect a voluntary settlement between parties.”  
169

170 “All parties to the dispute shall be entitled to attend the arbitration proceedings. The  
171 attendance of any third party or the exclusion of any witness from the proceedings shall  
172 be determined by the voluntary arbitrator or panel of voluntary arbitrators. Hearings may  
173 be adjourned for a cause or upon agreement by the parties.”  
174

175 “Unless the parties agree otherwise, it shall be mandatory for the voluntary arbitrator  
176 or panel of voluntary arbitrators to render an award or decision within twenty (20)  
177 calendar days from the date of submission of the dispute FOR DECISION [to voluntary  
178 arbitration]. “FAILURE ON HIS/HER OR THEIR PART TO RENDER AN AWARD  
179 OR A DECISION WITHIN SUCH PRESCRIBED PERIOD SHALL BE SUFFICIENT  
180 CAUSE FOR THE BOARD TO DELIST OR REMOVE THEIR NAMES FROM THE  
181 LIST OF ACCREDITED VOLUNTARY ARBITRATORS AND BAR THEM FROM  
182 PRACTICE OF THE VOLUNTARY ARBITRATION PROFESSION; PROVIDED,  
183 HOWEVER, THAT DUE PROCESS IS OBSERVED. IN SUCH CASES, IT SHALL  
184 BE UNLAWFUL FOR THE VOLUNTARY ABITRATOR OR PANEL OF  
185 VOLUNTARY ARBITRATORS TO REFUSE OR FAIL TO TURN OVER TO THE  
186 BOARD THE RECORD OF THE CASES WITHIN TEN (10) CALENDAR DAYS  
187 AFTER ITS DEMAND FOR THE SAME FOR FURTHER DISPOSITION IN  
188 ACCORDANCE WITH THE PRECEEDING PARAGRAPHS.”  
189

190 “The award or decision of the Voluntary Arbitrator or Panel of Voluntary Arbitrators  
191 shall contain the facts and the law on which it is based. It shall be final and executory  
192 after ten (10) calendar days from receipt of the copy of the award or decision by the  
193 parties. THE FINAL DECISION OF THE VOLUNTARY ARBITRATOR OR PANEL  
194 OF ARBITRATORS SHALL BE IMMEDIATELY EXECUTORY UNLESS  
195 RESTRAINED BY THE SUPREME COURT WHICH ALONE SHALL REVIEW THE  
196 AWARD OR DECISION IN A PETITION FOR CERTIORARI UNDER RULE 65 OF  
197 THE RULES OF COURT.  
198

199 “Upon motion of any interested party, the Voluntary Arbitrator or panel of Voluntary  
200 Arbitrators SHALL ISSUE THE WRIT OF EXECUTION. [or the Labor Arbiter in the  
201 region where the movant resides, i] In case of the absence or incapacity of the Voluntary  
202 Arbitrator or Panel of Voluntary Arbitrators, for any reason, THE BOARD SHALL  
203 DESIGNATE, UPON CONSULTATION WITH THE PARTIES, ANOTHER  
204 VOLUNTARY ARBITRATOR TO issue a writ of execution requiring either the sheriff  
205 of the NATIONAL CONCILIATION AND MEDIATION BOARD, DEPARTMENT OF  
206 LABOR AND EMPLOYMENT, NATIONAL LABOR RELATIONS COMMISSION,  
207 [Commission or regular courts] or any public official whom the parties may designate in  
208 *the submission agreement to execute the final decision* [, order or award]. IN ORDER TO  
209 FACILITATE THIS FUNCTION, THE POSITION OF SHERIFF IS HEREBY  
210 CREATED IN ALL REGIONAL BRANCHES OF THE BOARD.”  
211

212 “FOR THIS MATTER, THE BOARD MAY DEPUTIZE ANY LAW  
213 ENFORCEMENT AGENCY TO ASSIST IN THE EFFECTIVE ENFORCEMENT OF  
214 DECISIONS[, AWARDS, RESOLUTIONS OR ORDERS] OF VOLUNTARY  
215 ARBITRATORS OR PANEL OF ARBITRATORS.”  
216

217 **Section 6.** Article 262-B of the same Code, as amended, is hereby further amended to read  
218 as:  
219

220 "Art. 262-B. Cost of Voluntary Arbitration and Voluntary Arbitrator's fee. – The parties  
221 to a Collective Bargaining Agreement shall provide therein a proportionate sharing  
222 scheme on the cost of voluntary arbitration including PAYMENT OF VOLUNTARY  
223 ARBITRATOR'S FEES. The fixing of fees of Voluntary Arbitrators, whether shouldered  
224 wholly by the parties or TO BE subsidized by the Special Voluntary Action Fund  
225 SHALL BE MADE IN ACCORDANCE WITH THE GUIDELINES ISSUED BY THE  
226 BOARD UPON RECOMMENDATION OF THE TRIPARTITE VOLUNTARY  
227 ARBITRATION ADVISORY COUNCIL AND APPROVED BY THE SECRETARY  
228 OF LABOR AND EMPLOYMENT and shall take into account the following factors:

- 229  
230 (a) Nature of the case;  
231 (b) Time consumed in hearing the case;  
232 (c) Professional standing of the Voluntary Arbitrator;  
233 (d) Capacity to pay of the parties; and  
234 (e) Fees provided for in the Revised Rules of Court."  
235

236 **Section 7.** Article 277, paragraph (f) of the same Code, as amended, is hereby renumbered as  
237 Article 262-C, to read as:

238  
239 "ARTICLE 262-C. THE SPECIAL VOLUNTARY ARBITRATION FUND. [(f)] A  
240 special Voluntary Arbitration Fund is hereby established in the Board to subsidize the  
241 cost of voluntary arbitration [in cases involving the interpretation of the Collective  
242 Bargaining Agreement,] including the arbitrator's fees, and for such other related  
243 purposes to promote and develop voluntary arbitration. The Board shall administer the  
244 Special Voluntary Arbitration Fund in accordance with the guidelines it may adopt upon  
245 the recommendation of the Council, which guidelines shall be subject to the approval of  
246 the Secretary of Labor and Employment, PROVIDED, THAT EIGHTY PERCENT 80%  
247 OF THE FUND SHALL BE ALLOCATED FOR SUBSIDY FOR UNIONS WHICH DO  
248 NOT HAVE THE CAPACITY TO PAY THEIR AGREED SHARE OF THE  
249 VOLUNTARY ARBITRATOR'S FEE AS PROVIDED FOR IN THE CBA.  
250 CONTINUING FUNDS NEEDED FOR THIS PURPOSE IN THE INITIAL YEARLY  
251 AMOUNT OF SEVENTY-FIVE MILLION PESOS (P75,000,000.00) [fifteen million  
252 pesos] shall be provided in the [1989] annual general appropriations act.'

253  
254 "The amount of subsidy in appropriate cases shall be determined by the Board in  
255 accordance with the established guidelines issued by it upon the recommendation of the  
256 Council."

257  
258 "THE REMAINING TWENTY PERCENT (20%) OF THE FUND shall [also] be  
259 utilized for the operation of the council, the training and education of Voluntary  
260 Arbitrators, and the Voluntary Arbitration Program."

261  
262 **Section 8.** A new provision is hereby proposed to be inserted as Article 262-D, to read as:

263  
264 "ARTICLE 262-D. ACCREDITATION AND DE-ACCREDITATION OF  
265 VOLUNTARY ARBITRATORS".

266  
267 "THE BOARD SHALL HAVE THE POWER TO ACCREDIT VOLUNTARY  
268 ARBITRATORS AND MAINTAIN A ROLL OF ACCREDITED VOLUNTARY  
269 ARBITRATORS IN ACCORDANCE WITH THE CRITERIA AND GUIDELINES IT  
270 SHALL ESTABLISH."

271  
272 "THE ACCREDITATION OF AN INDIVIDUAL AS VOLUNTARY  
273 ARBITRATOR SHALL BE SUBJECT TO THE CONDITION THAT HE MEETS ALL  
274 THE QUALIFICATIONS PRESCRIBED BY THE BOARD FOR ACCREDITATION.



275 IF FOUND QUALIFIED, ACCREDITATION AS VOLUNTARY ARBITRATOR  
276 SHALL BE ON A LIFETIME BASIS, UNLESS DELISTED PURSUANT TO THE DE-  
277 LISTING GUIDELINES APPROVED BY THE TRIPARTITE VOLUNTARY  
278 ARBITRATION ADVISORY COUNCIL. TO MAINTAIN THEIR ACTIVE STATUS,  
279 HOWEVER, VOLUNTARY ARBITRATORS SHALL BE REQUIRED TO ATTEND  
280 THE ARBITRATORS' CONTINUING RETOOLING PROGRAM (ACRP), SUBJECT  
281 TO THE GUIDELINES WHICH THE COUNCIL AND THE BOARD SHALL  
282 ADOPT."

283  
284 "ONLY ARBITRATORS WITH ACTIVE STATUS SHALL BE INCLUDED IN  
285 THE LIST OF ACTIVE ARBITRATORS BEING DISSEMINATED TO LABOR AND  
286 MANAGEMENT FOR SELECTION AND APPOINTMENT PURPOSES. "

287  
288 "THE BOARD SHALL ALSO HAVE THE POWER TO DELIST AND REMOVE  
289 ACCREDITED VOLUNTARY ARBITRATORS FROM THE ROLL FOR JUST  
290 CAUSE AND SUBJECT TO THE REQUIREMENTS OF DUE PROCESS;  
291 PROVIDED, THAT THE DECISION OF THE BOARD TO DELIST OR REMOVE IS  
292 FINAL AND EXECUTORY."

293  
294 **Section 9.** A new provision taken from Executive Order No. 251 is hereby proposed to be  
295 inserted as Article 262-E, to read as:

296  
297 "ARTICLE 262-E. COMPOSITION OF THE TRIPARTITE VOLUNTARY  
298 ARBITRATION ADVISORY COUNCIL".

299  
300 "THE TRIPARTITE VOLUNTARY ARBITRATION ADVISORY COUNCIL IS  
301 HEREBY CREATED AND ATTACHED TO THE NATIONAL CONCILIATION AND  
302 MEDIATION BOARD. THE COUNCIL SHALL ADVISE THE BOARD ON  
303 MATTERS PERTAINING TO THE PROMOTION OF VOLUNTARY ARBITRATION  
304 AS THE PREFERRED MODE OF DISPUTE SETTLEMENT.

305  
306 "THE TRIPARTITE VOLUNTARY ARBITRATION ADVISORY COUNCIL  
307 SHALL CONSIST OF THE EXECUTIVE DIRECTOR [ADMINISTRATOR] OF THE  
308 NATIONAL CONCILIATION AND MEDIATION BOARD AS CHAIRMAN, ONE (1)  
309 MEMBER FROM THE GOVERNMENT, TWO (2) MEMBERS REPRESENTING  
310 LABOR, AND TWO (2) OTHER MEMBERS REPRESENTING MANAGEMENT.  
311 THE MEMBERS SHALL BE APPOINTED BY THE PRESIDENT TO SERVE FOR A  
312 TERM OF THREE (3) YEARS. THE CHAIRMAN AND MEMBERS THEREOF  
313 SHALL SERVE WITHOUT COMPENSATION."

314  
315 "IN ORDER TO FURTHER STRENGTHEN VOLUNTARY ARBITRATION, THE  
316 PRESIDENT AND EXECUTIVE VICE-PRESIDENT OF THE PHILIPPINE  
317 ASSOCIATION ON VOLUNTARY ARBITRATION, INC. SHALL ALSO BECOME  
318 MEMBERS OF THE TRIPARTITE VOLUNTARY ARBITRATION ADVISORY  
319 COUNCIL."

320  
321 **Section 10.** Art. 263 (g) of the same Code, as amended, is hereby further amended to read as:

322  
323 "ARTICLE 263 (g). Strikes, picketing and lockouts. – (a) x x x

324  
325 (g) When, in his opinion, there exists a labor dispute causing or likely to cause a  
326 strike or lockout in an industry indispensable to the national interest, the Secretary of  
327 Labor and Employment may assume jurisdiction over the dispute and decide it or  
328 certify the same TO THE BOARD FOR VOLUNTARY ARBITRATION, OR to the  
329 Commission for compulsory arbitration."

330  
331  
332  
333  
334  
335  
336  
337  
338  
339  
340  
341  
342  
343  
344

**Section 11.** All laws, orders, issuances, rules and regulations or parts thereof inconsistent with provisions of this Act are hereby repealed, amended or modified accordingly.

**Section 12.** The Secretary of Labor and Employment shall promulgate the necessary rules and regulations to implement the provisions of this Act.

**Section 13.** If any provision of this Act or the application thereof to any person or circumstances is held invalid or unconstitutional, the same shall not affect the remaining provisions of this Act.

**Section 14.** This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspapers of national circulation.

Approved,